

REGULAR CITY COUNCIL MEETING
AUGUST 10, 1998

PRESENT

R. Dale Roper
Wesley Bloomfield
Gayle Bunker
Robert Dekker
Glen Swalberg

Mayor
Council Member
Council Member
Council Member
Council Member

ABSENT

Bruce Curtis
Dorothy Jeffery
Richard Waddingham

Council Member
City Recorder
City Attorney

ALSO PRESENT

Neil Forster
Judy Baker
Karen Johnson
Greg Schafer
Derin Phelps
Thomas Chandler
Michael E. Murphy
Daniel C. Sutton
Steven C. Proper
John Henrie
Tony Dearden
Ed Phillips
Connie Best & Bud Best
Scott & Laurie Mork & children Jason & Brittany

Public Works Director
City Treasurer
City Employee
City Employee
Millard County Chronicle/Progress
City Resident
Management Training Corp.
Insight Cable Television
TCI Cablevision
Millard County Commissioner
Millard County Commissioner
Millard County Sheriff
Lynndyl Town Mayor & Husband
City Residents

Mayor Roper called the meeting to order at 7:00 p.m. In the absence of City Recorder Dorothy Jeffery, Karen Johnson acted as Secretary. Mayor Roper stated that notice of the meeting time, place, and agenda was posted at the principal office of the governing body, located at 76 North 200 West, and was provided to the Millard County Chronicle/Progress, KNAK Radio, and to each member of the City Council, by personal delivery, at least two days prior to the meeting.

Council Member Wesley Bloomfield offered an invocation, after which Mayor Roper led the Council in the Pledge of Allegiance.

MINUTES

The minutes of a Public Hearing held July 13, 1998 were presented for consideration and approval.

Following review, Council Member Wesley Bloomfield MOVED to approve the minutes of the Public hearing held July 13, 1998, as presented. The motion was SECONDED by Council Member Gayle Bunker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

The minutes of a Regular City Council Meeting held July 13, 1998 were presented for consideration and approval.

Council Member Wesley Bloomfield noted a minor spelling error on Page 8, following which Council Member Wesley Bloomfield MOVED to approve the minutes of the Regular City Council Meeting held July 13, 1998, as corrected. The motion was SECONDED by Council Member Gayle Bunker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

ACCOUNTS PAYABLE

The Council reviewed the accounts payable, a copy of which had been given to them two days prior to the meeting. Following review, Council Member Glen Swalberg MOVED to approve the account payable, in the amount of \$144,223.42. The motion was SECONDED by Council Member Robert Dekker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

UNFINISHED BUSINESS

There were no items of unfinished business on the agenda.

NEW BUSINESS

COUNCIL MEMBER GAYLE BUNKER: PROPOSED SINGLE LOT SUBDIVISION (CHANDLER ONE LOT SUBDIVISION) LOCATED AT APPROXIMATELY 262 NORTH 350 EAST

Council Member Gayle Bunker noted that a Public Hearing was held just prior to this meeting for the purpose of receiving public comment regarding the proposed single lot subdivision. There were no negative comments received at that public hearing. The Planning & Zoning Commission has recommended approval of this single lot subdivision, with the condition that an Offsite Improvement Agreement be signed in order to guarantee participation in any future curb, gutter and sidewalk improvements on the street, and that the water line be run, from 300 North Street to the subdivision property, at the expense of the property owner.

Following discussion, Council Member Gayle Bunker MOVED to approve the single lot subdivision (Chandler One Lot Subdivision) located at approximately 262 North 350 East, with the condition that an Off Site Improvement Agreement be signed and that the water line be run, from 300 North Street to the subdivision property, at the expense of the property owner. The motion was SECONDED by Council Member Robert Dekker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

COUNCIL MEMBER GAYLE BUNKER: PROPOSED SUBDIVISION (SILVER SAGE PHASE III SUBDIVISION) LOCATED AT APPROXIMATELY 195 SOUTH WHITE SAGE AVENUE

Council Member Gayle Bunker noted that a Public Hearing was held earlier this evening for the purpose of receiving public comment regarding the proposed Silver Sage Phase III Subdivision located at approximately 195 South White Sage Avenue. There were no negative comments received at that public hearing. The Planning & Zoning Commission has recommended that the proposed subdivision be approved with the condition that all curb, gutter, and sidewalk be constructed and that the street designated on the plat map as "Poplar Street" be completed at least to the center line of the street, at the time of development of the subdivision.

Following discussion, Council Member Gayle Bunker MOVED to approve the proposed subdivision (Silver Sage Phase III Subdivision) located at approximately 195 South White Sage Avenue be approved with the condition that all curb, gutter and sidewalk be constructed and that the street designated on the plat map as "Poplar Street" be completed, at least to the center line of the street, at the time of development of the subdivision. The motion was SECONDED by Council Member Robert Dekker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

MAYOR R. DALE ROPER: INSIGHT CABLEVISION PROPOSED TRANSFER OF CABLE TELEVISION FRANCHISE TO TCI

Mayor Roper noted that TCI is requesting approval of the Council to purchase the Insight Communications cable television franchise in the Delta area. Representatives from both Insight Communications and TCI have been invited to this meeting for the purpose of explaining what changes are to be made.

Steven L. Proper, Director of Franchising for TCI, and Daniel C. Sutton, State Manager for Insight Communications, approached the Council to answer any questions regarding TCI, the transfer, or any other questions. The Council requested information regarding changes in programming, cost, service, etc. Mr. Sutton stated that Insight is transferring all of their Utah properties to TCI in exchange for some TCI properties in Indiana. This will allow Insight Communications to consolidate their operations in order to better serve customers in the communities they will be serving. The transfer will result in TCI serving most Utah communities.

TCI's closest existing cable television system is in Nephi. That system is operated out of Provo and they currently have service technicians in Nephi. Mr. Proper noted that TCI does not currently have plans to change programming, rates, or service. However, Mr. Sutton noted that Insight has an annual rate increase, which will be effective October 1, 1998, and this year's rate increase amounts to \$1.50 per connection.

Mr. Proper invited the Mayor and Council to attend an informal luncheon presentation regarding the proposed ATT/TCI merger to be held Thursday, August 13th at the Courtyard Marriott in Sandy, Utah.

The Council questioned when the takeover would become effective. Mr. Sutton advised the Council that the takeover would become effective as soon as possible following receipt of ordinances approving the transfer from all 36 communities now being served by Insight Communications.

Mayor Roper explained to Mr. Sutton and Mr. Proper that our City Attorney has been ill and unable to prepare an ordinance approving the franchise transfer. The matter will be put on the agenda for the next City Council meeting, to be held on August 24, 1998.

MAYOR R. DALE ROPER: STREET PROJECTS

Mayor Roper outlined several street improvement projects which he would like to have the Council approve. The first project would be Center Street, from 400 South to 450 South, near Delta South Elementary School. The school has agreed to participate on a 50/50 basis with the City in providing curb and gutter on Center Street and Mayor Roper agreed to have the City provide asphalt to the curb and gutter. The PTA has money which they would like to use for beautification between the curb and sidewalk. Mayor Roper would like to see this project completed prior to the beginning of the school year later this month.

The second project is new asphalt on 400 West between Main Street and 200 North, with curb and gutter on both sides of the street between Main Street and 100 North. At this time, property owners have not been asked to participate in the project. We will be contacting those property owners for their participation, which will reduce the projected cost. In addition, 200 North will need to have new asphalt between 300 West and the railroad tracks, which are located just west of 400 West. Mayor Roper and Public Works Director Forster have estimated the cost of these projects to be approximately \$90,000. Mayor Roper requested approval of this project in order to improve safety for residents traveling these areas of 400 West and 200 North.

Mayor Roper advised the Council that Millard County has been using magnesium chloride on some roads. Application of this product costs approximately \$15,000/mile compared to asphalt, which costs approximately \$60,000/mile. If the magnesium chloride is applied for three years, it penetrates adequately so that the road can then be sealed. After sealing, the road then performs like an asphalt road. Mayor Roper would like the Council to approve application of magnesium chloride on 400 South, between 100 East and 300 East, and on 300 West, beginning north of 400 North, where the pavement ends and the dirt road continues north past the Sperry Oil bulk plant. In

addition, Mayor Roper would like approval of the Council to apply magnesium chloride to a couple of unpaved narrow roads which have been used as alleyways. The cost of these magnesium chloride applications has not been determined at this time, but Mayor Roper would like approval from the Council to do as many of these projects as possible this year.

Following discussion, Council Member Wesley Bloomfield MOVED to approved the street projects as outlined by Mayor Roper; i.e., Center Street between 400 South and 450 South, 400 West between Main Street and 200 North with curb and gutter from Main Street to 100 North, 200 North between 300 West and the railroad tracks, 400 South between 100 East and 300 East, 300 West north of 400 North and those narrow roads used as alleyways and if, next year, it is determined that the magnesium chloride applications did not work as expected, the applications will not be repeated. The motion was SECONDED by Council Member Robert Dekker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

OTHER BUSINESS

Mayor Roper reported that Michael E. Murphy, of Management & Training Corporation, had contacted him requesting that he be placed on the Agenda for this meeting. Inasmuch as the agenda had already been prepared, Mayor Roper invited Mr. Murphy to the meeting to present his information to the Council and answer any questions they might have. Mayor Roper explained that comments and questions from the floor would not be allowed inasmuch as this would be strictly an information session, not a public hearing, and no decision would be made at this meeting.

Mr. Murphy approached the Council and explained that he is Marketing Director for Management & Training Corporation, an Ogden, Utah company which was founded in 1980 as a spin off from Morton Thiokol Corporation. Morton Thiokol was in the business of job corps operations, under their contract with the U.S. Department of Labor. The principals of Management & Training Corporation bought the division from Morton Thiokol and created a management and training corporation specializing in providing job corps services to underprivileged youth ages 16-24. The services include education and vocational training. The job corps services have grown from four job corps centers to 110 job corps centers at this time.

Management & Training Corporation (MTC) has expanded into management and operation of private correctional facilities, currently having over 7,000 beds under contract in several states and feel that they are innovation leaders in providing training and education services.

The State of Utah has requested information from the private sector regarding financing of private correctional facilities. MTC, along with several other contractors, have been looking at several locations in the State of Utah. MTC was invited to make a proposal to the Fillmore City Council. The Mayor and Council were in favor of the project, however, since that time, the opposition has been successful in disseminating much hysterical information against the project in the Fillmore area, resulting in the matter being the subject of a referendum vote last week. The result of the vote was against a private prison being located in the area and also against the municipal building authority financing the proposal. Mr. Murphy reported that the Millard County Commission, at a

meeting earlier today, expressed their interest in locating the facility at some location in Millard County and in bonding for funding of the project. The facility would be designed to house minimum/medium risk offenders for a specified period of time in order to prepare them for reintegration into society.

Mr. Murphy added that construction of the facility would cost \$15 to 20 million, depending on the specifications set forth by the State of Utah. They are proposing a 500 bed facility, which would require approximately 50 acres and approximately 100 gallons of water per person per day; i.e., 50,000 gallons for 500 beds. The facility could possibly be expanded, at some future date, to 1000 beds, thus increasing water requirements to approximately 100,000 gallons per day. The facility will be surrounded by two fences, with razor wire, but the buildings will look more like college campus buildings than prison buildings.

The facility would employ approximately 110 people, 70% of which would be entry level correctional officer type positions, and have an annual payroll of approximately \$3.5 million. The minimum education requirement for correctional officers would be a high school diploma, good reading and writing skills, and passing State of Utah correction officer academy. Pay scale would average approximately \$10/hr., with a full benefits package, including medical and dental insurance, paid vacation based on years of service, retirement and 401K with company match up to 6%. MTC has been successful in locating a number of these facilities in small communities, with a track record of hiring 80% of the employees from the local community.

The facility is required to be within 15 minutes of a hospital and fire department and within five minutes of a major state highway. The facility would not impact the school system, medical facilities etc. The facility hires their own educators and medical personnel but would provide no long term convalescent care.

All inmate transportation would be done by the State and inmates would be returned to the State correctional facility, in Draper, one week prior to their release date. No inmates would be released in the local area. Inmates could be convicted murderers in the final two years of their sentence. There would be a wide range of prisoners, but private prisons historically receive the "cream of the crop" prisoners. There would be no furloughs, this would be a custody only facility.

If the City decided to bond for construction of the facility, the risk to the City would be that, in the event the legislature decided not to appropriate funding at some future time, the bonds would go into default, the bond holders would have the indebtedness to pay, and the facility would lay empty. If this happened, the municipality would not be able to float that type municipal building authority bond in the future and it could impact the interest rate charged if the municipality attempted to access the tax exempt authority again.

If the facility is constructed through municipal building authority bonding, MTC would have a contract with the municipality outlining responsibilities and, in the event of requirements not being met, the municipality could cancel the contract and find a new operator for the facility. The local municipality would have no liability for accidents in the facility. MTC, as operator of the facility, would be liable for anything that relates to their operation and management of the facility. They carry

insurance coverage for such events, which is typically about \$10 million per incident which occurs within the walls of the facility.

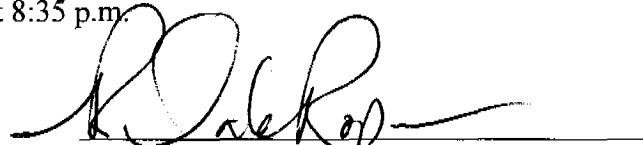
Mr. Murphy encouraged the Mayor and Council to discuss the information with County Commissioners Dearden and Henrie and also question Millard County Sheriff Ed Phillips regarding impact on local law enforcement and on prosecution fees.

Mr. Murphy indicated that, if Delta City is interested in the project, MTC would need to know rather quickly, inasmuch as they are expecting the State of Utah to request proposals within the next week. This would give MTC approximately 45 days to put their project proposal together. This period of time would include time for public hearings and educating the public. Mr. Murphy indicated that he is approaching the Council at this time to state their interest in Delta, but MTC would need some firm commitments relatively soon. One of the commitments would be interest in bonding and locating the facility in Delta, or whether the County would be willing to bond the facility and locate it near Delta in order for Delta to receive economic benefit from the project.

Mayor Roper and the Council thanked Mr. Murphy for the information provided and indicated an interest in taking a serious look at the proposal.

Mayor Roper asked if there were any comments, questions, or other items to be discussed. There being none, Council Member Wesley Bloomfield MOVED to adjourn the meeting. The motion was SECONDED by Council Member Robert Dekker. Mayor Roper asked if there were any comments or questions regarding the motion. There being none, he called for a vote. The motion passed unanimously.

Mayor Roper declared the meeting adjourned at 8:35 p.m.


R. DALE ROPER, Mayor
DOROTHY JEFFERY, City Recorder

MINUTES APPROVED: RCCM 08-24-98